

PHU NHUAN JEWELRY JOINT STOCK COMPANY

(Incorporated in the Socialist Republic of Vietnam)

REVIEWED CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2015 to 30 June 2015

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Phu Nhuan Jewelry Joint Stock Company (the "Parent Company") and subsidiaries (the Parent Company and its subsidiaries are collectively referred to as the "Company") presents this report together with the Company's consolidated financial statements for the period from 1 January 2015 to 30 June 2015.

THE BOARDS OF MANAGEMENT AND DIRECTORS

The members of the Boards of Management and Directors of the Company who held office during the period and to the date of this report are as follows:

Board of Directors

Ms. Cao Thi Ngoc Dung	Chairwoman
Mr. Nguyen Vu Phan	Vice Chairman
Ms. Nguyen Thi Cuc	Member
Mr. Nguyen Tan Quynh	Member
Ms. Nguyen Thi Bich Ha	Member
Ms. Pham Vu Thanh Giang	Member
Mr. Andy Ho	Member
Mr. Pham Quoc Cong	Member (appointed on 15 April 2015)

Board of Management

Ms. Cao Thi Ngoc Dung	General Director
Mr. Le Huu Hanh	Deputy General Director
Ms. Nguyen Thi Cuc	Deputy General Director
Mr. Nguyen Vu Phan	Deputy General Director
Ms. Pham Thi My Hanh	Deputy General Director

BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Company and of its consolidated results and consolidated cash flows for the year in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these consolidated financial statements, the Board of Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

STATEMENT OF THE BOARD OF DIRECTORS (Continued)

The Board of Directors confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of Directors,



Cao Thi Ngoc Dung
General Director
28 August 2015

A handwritten signature in blue ink, consisting of several loops and strokes, positioned to the right of the printed name and date.

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No. 128 /VNIA-HC-BC

REVIEW REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To: **The shareholders, Boards of Management and Directors of
Phu Nhuan Jewelry Joint Stock Company**

We have reviewed the accompanying consolidated balance sheet as at 30 June 2015, the related consolidated statements of income and cash flows for the period from 1 January 2015 to 30 June 2015 and the notes thereto (collectively referred to as the "consolidated financial statements") of Phu Nhuan Jewelry Joint Stock Company (the "Parent Company") and subsidiaries (the Parent Company and its subsidiaries are collectively referred to as the "Company") prepared on 28 August 2015 as set out from page 4 to page 33. The preparation of these consolidated financial statements is the responsibility of the Company's Board of Directors. Our responsibility is to issue a review report on these consolidated financial statements based on our review.

We conducted our review in accordance with Vietnamese Standard on Auditing No. 910 - Engagements to review financial statements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial statements are free of material misstatements. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of, in all material respects, the consolidated financial position of the Company as at 30 June 2015, the consolidated results of its operations and its cash flows for the period from 1 January 2015 to 30 June 2015 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

Other Matter

The Company's financial statements for the period from 1 January 2014 to 30 June 2014 and the year ended 31 December 2014 were reviewed and audited by another audit company. The review report dated 28 August 2014 and the independent auditors' report dated 30 March 2015 expressed unqualified conclusion and unqualified opinion.



Võ Thái Hòa
Audit Partner
Audit Practising Registration Certificate
No. 0138-2013-001-1
For and on behalf of
Deloitte Vietnam Company Limited
28 August 2015
Ho Chi Minh City, S.R. Vietnam



Trần Thị Kim Khanh
Auditor
Audit Practising Registration Certificate
No. 0395-2013-001-1

CONSOLIDATED BALANCE SHEET

As at 30 June 2015

FORM B 01a-DN/HN

Unit: VND

ASSETS	Codes	Notes	30/6/2015	31/12/2014
A. CURRENT ASSETS	100		2,389,992,008,028	1,817,347,382,578
I. Cash and cash equivalents	110		26,658,810,975	37,706,071,196
1. Cash	111	5	26,658,810,975	37,706,071,196
II. Short-term financial investments	120	6	65,000,000	65,000,000
1. Held-to-maturity investments	123		65,000,000	65,000,000
III. Short-term receivables	130		80,543,758,690	71,969,484,744
1. Short-term trade receivables	131	7	40,815,583,544	43,282,823,370
2. Short-term advances to suppliers	132		28,918,717,908	16,213,997,161
3. Other short-term receivables	136	8	9,576,180,041	19,358,762,187
4. Short-term doubtful debts	137		(35,327,600)	(7,787,546,259)
5. Deficits in assets awaiting solution	139	9	1,268,604,797	901,448,285
IV. Inventories	140	10	2,260,987,893,633	1,672,014,861,001
1. Inventories	141		2,260,987,893,633	1,672,014,861,001
V. Other short-term assets	150		21,736,544,730	35,591,965,637
1. Short-term prepayments	151	11	17,366,672,711	27,279,143,455
2. Value added tax deductibles	152		-	3,659,558,376
3. Taxes and other receivables from the State budget	153	12	4,369,872,019	4,653,263,806
B. NON-CURRENT ASSETS	200		919,348,085,338	1,011,324,758,771
I. Long-term receivables	210		19,269,648,454	13,588,573,996
1. Other long-term receivables	216	8	19,269,648,454	13,588,573,996
II. Fixed assets	220		462,533,125,487	451,729,266,255
1. Tangible fixed assets	221	13	172,069,485,493	160,479,587,999
- Cost	222		290,600,704,211	265,520,614,214
- Accumulated depreciation	223		(118,531,218,718)	(105,041,026,215)
2. Intangible assets	227	14	290,463,639,994	291,249,678,256
- Cost	228		293,121,956,571	293,121,956,571
- Accumulated amortization	229		(2,658,316,577)	(1,872,278,315)
III. Long-term assets in progress	240		10,599,611,270	739,090,200
1. Long-term construction in progress	242	15	10,599,611,270	739,090,200
IV. Long-term financial investments	250		401,454,442,642	531,799,217,588
1. Investments in associates	252	16	81,998,817,642	81,456,342,588
2. Equity investments in other entities	253	17	460,651,988,400	460,651,988,400
3. Provision for impairment of long-term financial investments	254	6	(141,196,363,400)	(10,309,113,400)
V. Other long-term assets	260		25,491,257,485	13,468,610,732
1. Long-term prepayments	261	11	24,094,462,591	12,547,147,880
2. Deferred tax assets	262	18	1,396,794,894	921,462,852
TOTAL ASSETS (270=100+200)	270		3,309,340,093,366	2,828,672,141,349

The notes set out on pages 8 to 33 are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (Continued)
As at 30 June 2015

FORM B 01a-DN/HN
Unit: VND

RESOURCES	Codes	30/6/2015	31/12/2014
C. LIABILITIES	300	2,033,018,618,045	1,532,149,329,780
I. Current liabilities	310	1,847,181,088,945	1,394,564,947,680
1. Short-term trade payables	311 19	151,777,545,465	140,059,263,813
2. Short-term advances from customers	312	72,728,694,012	10,577,252,253
3. Taxes and amounts payable to the State budget	313 12	28,996,943,515	45,893,557,644
4. Payables to employees	314	21,035,970,710	27,640,951,586
5. Short-term accrued expenses	315	9,355,014,140	4,188,467,510
6. Other current payables	319 20	100,851,376,270	27,252,893,412
7. Short-term loans and obligations under finance leases	320 21	1,444,061,288,072	1,131,686,128,041
8. Bonus and welfare funds	322	18,374,256,761	7,266,433,421
II. Long-term liabilities	330	185,837,529,100	137,584,382,100
1. Other long-term payables	337 20	295,029,100	455,382,100
2. Long-term loans and obligations under finance leases	338 22	185,542,500,000	137,129,000,000
D. EQUITY	400	1,276,321,475,321	1,296,522,811,569
I. Owners' equity	410 23	1,276,321,475,321	1,296,522,811,569
1. Owners' contributed capital	411	755,970,350,000	755,970,350,000
- Ordinary shares carrying voting rights	411a	755,970,350,000	755,970,350,000
2. Share premium	412	105,021,650,000	105,021,650,000
3. Treasury shares	415	(7,090,000)	(7,090,000)
4. Investment and development fund	418	265,805,050,783	232,805,050,783
5. Retained earnings	421	149,531,514,538	202,732,850,786
- Retained earnings accumulated to the prior year end	421a	40,870,441,986	56,288,679,184
- Retained earnings of the current period	421b	108,661,072,552	146,444,171,602
TOTAL RESOURCES (440=300+400)	440	3,309,340,093,366	2,828,672,141,349

Duong Quang Hai
Preparer

Dang Thi Lai
Chief Accountant

Cao Thi Ngoc Dung
General Director
28 August 2015

CONSOLIDATED INCOME STATEMENT
 For the period from 1 January 2015 to 30 June 2015

FORM B 02a-DN/HN
 Unit: VND

ITEMS	Codes	Notes	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
1. Gross revenue from goods sold and services rendered	01		3,868,684,344,728	4,929,705,358,364
2. Deductions	02		13,778,057,891	5,106,579,455
3. Net revenue from goods sold and services rendered (10-01-02)	10	26	3,854,906,286,837	4,924,598,778,909
4. Cost of goods sold and services rendered	11	27	3,299,667,673,824	4,481,627,096,523
5. Gross profit from goods sold and services rendered (20-10-11)	20		555,238,613,013	442,971,682,386
6. Financial income	21	29	413,558,927	15,089,473,461
7. Financial expenses	22	30	172,438,939,426	44,987,897,561
<i>In which: Interest expense</i>	23		36,777,505,139	40,758,353,654
8. Selling expenses	25	31	189,891,127,628	166,558,596,026
9. General and administration expenses	26	31	50,104,459,441	61,663,419,541
10. Operating profit (30-20+(21-22)-(25+26))	30		143,217,645,445	184,851,242,719
11. Other income	31		810,738,183	1,062,213,431
12. Other expenses	32		3,855,170,775	667,050,360
13. (Loss)/profit from other activities (40-31-32)	40		(3,044,432,592)	395,163,071
14. Profit/(loss) from associates	45	16	542,475,054	(765,024,050)
15. Accounting profit before tax (50=30+40+45)	50		140,715,687,907	184,481,381,740
16. Current corporate income tax expense	51	32	32,529,947,397	38,339,935,344
17. Deferred corporate income tax	52	18	(475,332,042)	(302,725,206)
18. Profit after corporate income tax (60=50-51-52)	60		108,661,072,552	146,444,171,602
<i>Attributable to</i>				
- Non-controlling interest	61		-	8,676,828,073
- The Parent Company's shareholders	62		108,661,072,552	137,767,343,529
19. Basic earnings per share	70	33	1,256	1,620


 Duong Quang Hai
 Preparer


 Dang Thi Lai
 Chief Accountant


 Cao Thi Ngoc Dung
 General Director
 28 August 2015

CONSOLIDATED CASH FLOW STATEMENT
For the period from 1 January 2015 to 30 June 2015

FORM B 03a-DN/HN
Unit: VND

ITEMS	Codes	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
I. CASH FLOWS USED IN OPERATING ACTIVITIES			
1. Profit before tax	01	140,715,687,907	184,481,381,740
2. Adjustments for:			
Depreciation and amortization	02	14,615,112,401	16,413,752,904
Provisions	03	123,135,031,341	-
Unrealized foreign exchange loss	04	647,492,581	-
Gain from investing activities	05	(749,705,003)	(11,490,675,576)
Interest expense	06	36,777,505,139	40,758,353,654
3. Operating profit before movements in working capital	08	315,141,124,366	230,162,812,722
Decrease in account receivables	09	4,338,345,163	6,259,915,570
Increase in inventories	10	(588,973,032,632)	(156,491,336,675)
Increase/(decrease) in account payables	11	64,538,274,733	(18,627,191,883)
Increase in prepaid expenses	12	(1,634,843,967)	(2,735,531,137)
Interest paid	14	(35,453,096,521)	(36,887,421,057)
Corporate income tax paid	15	(48,884,570,196)	(51,236,159,886)
Other cash outflows	17	(26,377,882,405)	(15,786,454,150)
Net cash used in operating activities	20	(317,305,681,459)	(45,341,366,496)
II. CASH FLOWS (USED IN)/FROM INVESTING			
1. Acquisition of fixed assets and other long-term assets	21	(35,279,492,703)	(18,350,659,384)
2. Proceeds from disposal of fixed assets	22	154,545,455	-
3. Cash recovered from lending, selling debt instruments of other entities	24	-	7,500,000,000
4. Interest earned, dividends and profits received	27	52,684,494	14,845,199,626
Net cash (used in)/from investing activities	30	(35,072,262,754)	3,994,540,242
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	2,514,991,456,230	3,041,151,149,321
2. Repayments of borrowings	34	(2,154,829,264,953)	(2,836,444,364,711)
3. Dividends paid	36	(18,831,507,285)	(154,544,636,600)
Net cash from financing activities	40	341,330,683,992	50,162,148,010
Net (decrease)/increase in cash (50=20+30+40)	50	(11,047,260,221)	8,815,321,756
Cash at the beginning of the period	60	37,706,071,196	53,915,192,251
Cash at the end of the period (70=50+60)	70	26,658,810,975	62,730,514,007


Duong Quang Hai
Preparer


Dang Thi Lai
Chief Accountant



Cao Thi Ngoc Dung
General Director
28 August 2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

1. GENERAL INFORMATION

Phu Nhuan Jewelry Joint Stock Company (the "Parent Company") was incorporated as a joint stock company under the Business Registration Certificate No. 0300521758 dated 2 January 2004 issued by the Department of Planning and Investment of Ho Chi Minh City, as amended.

The Company has been listed on the Ho Chi Minh City Stock Exchange ("HOSE") on 23 March 2009 pursuant to the Decision No.129/ĐKNY issued by the General Director of HOSE on 26 December 2008.

The number of employees as at 30 June 2015 was 3,061 (as at 31 December 2014: 2,494).

Operating industry and principal activities

The Company's principal activities are to trade gold, silver, jewelry and gemstones, and to import and export jewelry in gold, silver and gemstones.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of no more than 12 months

The Company's structure

The Parent Company's head office is located at 170 Phan Dang Luu Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam. In addition, the Company also has one hundred and seventy-eight (178) retail shops located in various provinces and cities in Vietnam.

As at 30 June 2015, the Company's subsidiaries and associates were:

- CAO Fashion Company Limited – Subsidiary
- PNJ Laboratory Company Limited – Subsidiary
- Dong A Land Joint Stock Company – Associate

As at 30 June 2015, the Parent Company also had ninety seven (97) branches located in various provinces and cities in Vietnam, in which the big branches were:

- Branch of Phu Nhuan Jewelry Joint Stock Company- Bien Hoa Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Hue City
- Branch of Phu Nhuan Jewelry Joint Stock Company- Vinh Long Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Nha Trang Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Da Nang Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Ha Noi Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Can Tho Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Buon Ma Thuot Branch

Disclosure of information comparability in the consolidated financial statements

As stated in Note 3, since 1 January 2015, the Company has adopted Circular No. 200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014 ("Circular 200") guiding the accounting regime for enterprises and Circular No. 202/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014 ("Circular 202") guiding the preparation and presentation of consolidated financial statements. Circular 200 supersedes the regulations for accounting regime promulgated under Decision No. 15/2006/QĐ-BTC dated 20 March 2006 issued by the Ministry of Finance and Circular No. 244/2009/TT-BTC dated 31 December 2009 issued by the Ministry of Finance. Circular 202 supersedes section XIII in Circular No. 161/2007/TT-BTC dated 31 December 2007 of the Ministry of Finance guiding the preparation and presentation of consolidated financial statements in accordance with Vietnamese Accounting Standard No. 25 "Consolidated Financial Statements and Accounting for Investments in Subsidiaries". Accordingly, certain figures of the consolidated balance sheet and cash flow statement of previous period are reclassified to be adopted to be comparability of the figures of the current period (see the Note 39).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong ("VND"), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Accounting period

The Company's financial year begins on 1 January and ends on 31 December. The interim consolidated financial statements are prepared for the period from 1 January to 30 June annually.

3. ADOPTION OF NEW ACCOUNTING GUIDANCE

On 22 December 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC ("Circular 200") guiding the accounting regime for enterprises and Circular No. 202/2014/TT-BTC (Circular 202) guiding the preparation and presentation of consolidated financial statements. These circulars are effective for financial years beginning on or after 01 January 2015. Circular 200 supersedes the regulations for accounting regime promulgated under Decision No. 15/2006/QĐ-BTC dated 20 March 2006 issued by the Ministry of Finance and Circular No. 244/2009/TT-BTC dated 31 December 2009 issued by the Ministry of Finance. Circular 202 will supersede section XIII in Circular No. 161/2007/TT-BTC dated 31 December 2007 of the Ministry of Finance guiding the preparation and presentation of consolidated financial statements in accordance with Vietnamese Accounting Standard No. 25 "Consolidated Financial Statements and Accounting for Investments in Subsidiaries". The Board of Directors has adopted Circular 200 in the preparation and presentation of the consolidated financial statements for the period from 1 January 2015 to 30 June 2015.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Board of Directors' best knowledge, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and enterprises controlled by the Parent Company (its subsidiaries) up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the parent's ownership interests in them. Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Parent Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Interests in associates are carried in the consolidated balance sheet at cost as adjusted by post-acquisition changes in the Parent Company's share of the net assets of the associate. Losses of an associate in excess of the Parent Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate) are not recognised.

Where a group entity transacts with an associate of the Parent Company, unrealised profits and losses are eliminated to the extent of the Parent Company's interest in the relevant associate.

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, trade and other receivables, deposits, financial investments.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise trade and other payables, accrued expenses and borrowings.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN
These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

Tangible assets and amortisation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	03 - 25
Machinery and equipment	03 - 15
Motor vehicles	04 - 10
Office equipment	03 - 08

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the consolidated income statement.

Intangible assets and amortisation

Intangible assets represents the value of computer software that is stated at cost less accumulated amortisation and is amortized on the straight-line basis over their estimated useful lives of 3 years.

Land use rights is recorded as an intangible asset on the consolidated balance sheet when the company received the certificate of land use rights. The history cost of the land use rights comprises all directly attributable costs of bringing the land lot to the condition available for intended use and is not amortized because the land use rights have long usage time.

Construction in progress

Properties in the course of construction for selling, are carried at cost. Cost includes land use rights and construction cost for trade centers and stores in accordance with the Company's accounting policy. Depreciation of these assets is applied on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments include short-term prepayments or long-term prepayments on the interim consolidated balance sheet and are amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

Long-term prepaid expenses comprise:

- Prepaid rental includes land and shop rental prepaid for many years under operating leases contracts which are amortized over the lease term;
- Tools and consumables with large value issued in use which can be used for more than one year; and
- Others which are amortized to the consolidated income statement over 2 to 3 years.

Borrowing costs

Interest expense includes interest and other costs incurred related to the loans of the Company and are recorded to the expenses incurred during the period.

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company;
- and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Foreign currencies

The Company applies the method of recording foreign exchange differences in accordance with Vietnamese Accounting Standard No. 10 (VAS 10) "Effects of changes in foreign exchange rates" and Circular 200/2014/TT-BTC ("Circular 200") guiding accounting regime for enterprises. Accordingly, transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the consolidated balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement. Unrealised exchange gains as at the consolidated balance sheet date are not treated as part of distributable profit to shareholders.

Payable provisions

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of Directors' best estimate of the expenditure required to settle the obligation as at the consolidated balance sheet date.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.



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Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

5. CASH

	30/6/2015	31/12/2014
	<u>VND</u>	<u>VND</u>
Cash on hand	19,568,922,952	29,251,327,486
Cash in bank	5,924,298,023	6,653,427,710
Cash in transit	1,165,590,000	1,801,316,000
	<u>26,658,810,975</u>	<u>37,706,071,196</u>

As at 31 December 2014, cash equivalents are reclassified to inventories in accordance with guidance of Circular 200/2014/TT-BTC of the Ministry of Finance dated 22 December 2014 with an amount of VND 234,599,264,879.

6. FINANCIAL INVESTMENTS

	30/6/2015			31/12/2014		
	Cost	Provision	Fair value	Cost	Provision	Fair value
a. Held-to-maturity investments	65,000,000	-	65,000,000	65,000,000	-	65,000,000
a1) Short-term						
- Time deposit	65,000,000	-	65,000,000	65,000,000	-	65,000,000
b. Investments in other entities						
- Investments in subsidiaries	460,651,988,400	(141,196,363,400)	319,455,625,000	460,651,988,400	(10,309,113,400)	450,342,875,000
Dong A Land Joint Stock Company ("DAB") (*)	395,271,613,400	(141,196,363,400)	254,075,250,000	395,271,613,400	(10,309,113,400)	384,962,500,000
(*)						
Sai Gon M&C Real Estate Joint Stock	65,380,375,000	-	65,380,375,000	65,380,375,000	-	65,380,375,000
	<u>460,716,988,400</u>	<u>(141,196,363,400)</u>	<u>319,520,625,000</u>	<u>460,716,988,400</u>	<u>(10,309,113,400)</u>	<u>450,407,875,000</u>

Significant intra-group transactions during the period (Note 37).

(*) On 14 August 2015, the State Bank of Vietnam decided to put Dong A Commercial Joint Stock Bank under special control. However, the Board of Directors believes that the Company made provision for impairment of investment in this bank fully and in accordance with current accounting regulations as at the consolidated balance sheet date.

7. SHORT-TERM TRADE RECEIVABLES

	30/6/2015	31/12/2014
	<u>VND</u>	<u>VND</u>
Short-term trade receivables	40,815,583,544	43,282,823,370
- To Tai Gaz Vietnam Limited	13,274,137,702	13,274,137,702
- FH Trautz GmbH	4,984,961,803	4,084,326,480
- Others	22,556,484,039	25,924,359,188
	<u>40,815,583,544</u>	<u>43,282,823,370</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) **FORM B 09a-DN/HN**
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8. OTHER RECEIVABLES

	30/6/2015	31/12/2014
	<u>VND</u>	<u>VND</u>
a. Short-term receivables		
- Advances to employees	1,287,542,096	644,633,055
- Others	8,288,637,945	18,714,129,132
	<u>9,576,180,041</u>	<u>19,358,762,187</u>
b. Long-term receivables		
- Long-term deposits to rent the stores	19,269,648,454	13,588,573,996
	<u>19,269,648,454</u>	<u>13,588,573,996</u>

9. DEFICITS IN ASSETS AWAITING SOLUTION

	30/6/2015		31/12/2014	
	Quantity	VND Amount	Quantity	VND Amount
- Gold (3,75 gram)	289.78	901,789,000	149.99	499,999,998
- Others	-	366,815,797	-	401,448,287
	<u>289.78</u>	<u>1,268,604,797</u>	<u>149.99</u>	<u>901,448,285</u>

10. INVENTORIES

	30/6/2015	31/12/2014
	<u>VND</u>	<u>VND</u>
Goods in transit	12,272,580,928	608,973,823
Raw materials	91,347,582,658	100,732,561,181
Tools and supplies	20,809,308,364	19,923,350,233
Works in progress	113,048,056,448	147,201,507,351
Finished goods	151,462,754,017	129,280,128,300
Merchandise	1,855,240,781,172	1,274,268,340,113
Goods on consignment	16,806,830,046	-
	<u>2,260,987,893,633</u>	<u>1,672,014,861,001</u>

As at 30 June 2015, inventories of VND 964,000,000,000 (as at 31 December 2014: VND 570,000,000,000) was used as collateral for short-term loans obtained from commercial banks (Note 21).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

11. PREPAYMENTS

	30/6/2015	31/12/2014
	VND	VND
a. Short-term prepayments		
- Stores rental	5,438,513,901	3,361,387,270
- Tools and supplies	8,325,723,609	15,041,864,775
- Stores renovation costs, others	3,602,435,201	8,875,891,410
	<u>17,366,672,711</u>	<u>27,279,143,455</u>
b. Long-term prepayments		
- Stores rental	6,510,232,093	4,158,587,626
- Tools and supplies	12,996,630,684	3,198,215,073
- Stores renovation costs, others	4,587,599,814	5,190,345,181
	<u>24,094,462,591</u>	<u>12,547,147,880</u>

12. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	01/01/2015	Payable during the period	Paid during the period	30/06/2015
	VND	VND	VND	VND
a. Receivables				
Value added tax	4,525,720,813	(30,691,800,993)	30,467,866,830	4,301,786,650
Import-export tax	53,542,993	(3,673,461,157)	3,675,565,783	55,647,619
Others	74,000,000	(2,908,094,965)	2,846,532,715	12,437,750
	<u>4,653,263,806</u>	<u>(37,273,357,115)</u>	<u>36,989,965,328</u>	<u>4,369,872,019</u>
b. Payables				
Value added tax	12,844,545,374	54,517,329,965	(55,128,347,409)	12,233,527,930
Corporate income tax	32,257,181,576	32,495,578,455	(48,884,570,196)	15,868,189,835
Personal income tax	684,324,858	5,828,094,151	(5,770,269,404)	742,149,605
Others	107,505,836	3,270,262,138	(3,224,691,829)	153,076,145
Fees and others	-	4,116,158	(4,116,158)	-
	<u>45,893,557,644</u>	<u>96,115,380,867</u>	<u>(113,011,994,996)</u>	<u>28,996,943,515</u>

13. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles	Total
	VND	VND	VND	VND	VND
COST					
As at 01/01/2015	120,558,292,982	116,999,453,354	17,525,413,917	10,437,453,961	265,520,614,214
Additions	-	6,597,724,348	15,151,916,285	3,669,331,000	25,418,971,633
Disposals	-	-	-	(338,881,636)	(338,881,636)
As at 30/6/2015	<u>120,558,292,982</u>	<u>123,597,177,702</u>	<u>32,677,330,202</u>	<u>13,767,903,325</u>	<u>290,600,704,211</u>
ACCUMULATED DEPRECIATION					
As at 01/01/2015	16,299,405,457	70,228,330,298	13,423,856,718	5,089,433,742	105,041,026,215
Charge for the period	2,636,958,162	7,334,809,349	3,386,094,599	471,212,029	13,829,074,139
Disposals	-	-	-	(338,881,636)	(338,881,636)
As at 30/6/2015	<u>18,936,363,619</u>	<u>77,563,139,647</u>	<u>16,809,951,317</u>	<u>5,221,764,135</u>	<u>118,531,218,718</u>
NET BOOK VALUE					
As at 30/6/2015	<u>101,621,929,363</u>	<u>46,034,038,055</u>	<u>15,867,378,885</u>	<u>8,546,139,190</u>	<u>172,069,485,493</u>
As at 01/01/2015	<u>104,258,887,525</u>	<u>46,771,123,056</u>	<u>4,101,557,199</u>	<u>5,348,020,219</u>	<u>160,479,587,999</u>

The cost of tangible fixed assets as at 30 June 2015 comprises fully depreciated fixed assets which are still in use with the total amount of VND 48,655,347,197 (as at 31 December 2014: VND 45,923,225,781).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

14. INTANGIBLE FIXED ASSETS

	Land use rights VND	Computer software VND	Total VND
COST			
As at 01/01/2015 and 30/6/2015	285,183,268,988	7,938,687,583	293,121,956,571
ACCUMULATED AMORTIZATION			
As at 01/01/2015	-	1,872,278,315	1,872,278,315
Charge for the period	-	786,038,262	786,038,262
As at 30/6/2015	-	2,658,316,577	2,658,316,577
NET BOOK VALUE			
As at 30/6/2015	<u>285,183,268,988</u>	<u>5,280,371,006</u>	<u>290,463,639,994</u>
As at 01/01/2015	<u>285,183,268,988</u>	<u>6,066,409,268</u>	<u>291,249,678,256</u>

As presented in Note 21 and 22, the value of land use rights used as collateral for the loans in commercial banks as at 30 June 2015 is VND 106,543,452,000 (as at 31 December 2014: VND 106,543,452,000).

15. CONSTRUCTION IN PROGRESS

	30/6/2015 VND	31/12/2014 VND
Land use rights	9,860,521,070	-
Construction expense of stores	739,090,200	739,090,200
	<u>10,599,611,270</u>	<u>739,090,200</u>

16. INVESTMENTS IN ASSOCIATES

	30/6/2015 VND	31/12/2014 VND
Investments in associates	91,866,300,000	91,866,300,000
Share of post-acquisition loss	(9,867,482,358)	(10,409,957,412)
	<u>81,998,817,642</u>	<u>81,456,342,588</u>

Dong A Land JSC ("DAL") was established in Ho Chi Minh City with charter capital of VND 300,000,000,000 according to the business registration certificate No. 4103001739 issued by the Department of Planning and Investment of Ho Chi Minh City dated 24 July 2003. Total equity of the Company is VND 91,866,300,000, equivalent to 30.62% of total capital. The principal activities of DAL are providing design services, project management, building service, providing advisory services and real estate agents, business and home furnishing.

Summary of financial information about associates is as follow:

	30/6/2015 VND	31/12/2014 VND
Total assets	1,148,517,968,876	1,128,023,303,265
Total liabilities	875,575,558,215	856,081,601,592
Net assets	272,942,410,661	271,941,701,673
Parent Company's share of associates' net assets	<u>83,574,966,144</u>	<u>83,268,549,052</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN
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	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
Net revenue	25,346,629,466	104,623,587,893
Net profit/(loss)	1,771,636,361	(2,498,445,624)
Parent Company's share of associates' net profit/(loss)	542,475,054	(765,024,050)

17. EQUITY INVESTMENTS IN OTHER ENTITIES

	30/6/2015 VND	31/12/2014 VND
Dong A Joint Stock Commercial Bank ("DAB")	395,271,613,400	395,271,613,400
Sai Gon M&C Real Estate Joint Stock Company	65,380,375,000	65,380,375,000
	460,651,988,400	460,651,988,400

Detailed information about those companies as at 30 June 2015 was as follow:

Company name	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal activity
Dong A Joint Stock Commercial Bank ("DAB") (*)	Ho Chi Minh City	7.69	7.69	Business operations related to financial activities, banking
Sai Gon M&C Real Estate Joint Stock Company	Ho Chi Minh City	5	5	Business activities and providing services related to real estates

(*) DAB's shares were used to pledge for loans from Asia Commercial Joint Stock Bank (Note 21)

18. DEFERRED TAX

The deferred tax assets recorded by the Company and changes of these items in this period and prior years are as follow:

	Accruals and other provisions VND
As at 1 January 2014	701,850,324
Credit to the income statement	219,612,528
As at 31 December 2014	921,462,852
Credit to the income statement	475,332,042
As at 30 June 2015	1,396,794,894

19. SHORT-TERM TRADE PAYABLES

	30/6/2015		31/12/2014	
	Amount VND	Amount able to be paid off VND	Amount VND	Amount able to be paid off VND
- Forte Jewellery (HK) Ltd. Co.	17,730,413,030	17,730,413,030	18,437,084,070	18,437,084,070
- Other suppliers	134,047,132,435	134,047,132,435	121,622,179,743	121,622,179,743
	151,777,545,465	151,777,545,465	140,059,263,813	140,059,263,813

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

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20. OTHER PAYABLES

	30/6/2015	31/12/2014
	VND	VND
a) Current payables	100,851,376,270	27,252,893,412
- Surpluses in assets awaiting solution	48,941,383	-
- Trade union fee	3,591,693,038	4,912,336,783
- Social insurance	15,747,080	-
- Health insurance	153,431,957	198,471,280
- Unemployment insurance	12,020,067	272,373,838
- Payables to Board of Management fund	1,522,479,644	804,402,000
- Payables to Board of Directors fund	6,169,120,092	6,653,120,092
- Payables to Trade union fund	4,585,612,656	4,276,739,004
- Dividends payable	79,462,545,055	18,824,540
- Others	5,289,785,298	10,116,625,875
b) Long-term payables	295,029,100	455,382,100
- Others	295,029,100	455,382,100
	101,146,405,370	27,708,275,512

21. SHORT-TERM LOANS

	H/01/2015		In the period		30/6/2015	
	VND	VND	VND	VND	VND	VND
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
Asia Commercial Joint Stock Bank	208,300,000,000	208,300,000,000	167,000,000,000	(253,300,000,000)	122,000,000,000	122,000,000,000
Vietnam Joint Stock Commercial Bank for Joint Stock Company Bank for Foreign trade of Vietnam	138,453,326,647	138,453,326,647	25,834,033	(74,207,174,649)	64,171,986,351	64,171,986,351
Southeast Asia Commercial Joint Stock Bank	122,891,085,681	122,891,085,681	371,930,777,194	(291,617,841,633)	203,178,039,447	203,178,039,447
Petrolimex Group Commercial Joint Stock Bank	90,000,000,000	90,000,000,000	130,000,000,000	-	200,000,000,000	200,000,000,000
CTBC Bank Company Limited - Ho Chi Minh Branch	70,000,000,000	70,000,000,000	400,000,000,000	(270,000,000,000)	200,000,000,000	200,000,000,000
Shinhan Bank Vietnam Limited	63,000,000,000	63,000,000,000	108,000,000,000	(63,000,000,000)	108,000,000,000	108,000,000,000
Military Commercial Joint Stock Bank	60,000,000,000	60,000,000,000	-	-	60,000,000,000	60,000,000,000
Ho Chi Minh City Housing Development Commercial Joint Stock Bank	20,293,013,713	20,293,013,713	81,515,425,375	(30,395,011,713)	81,515,425,375	81,515,425,375
Vietnam Prosperity Joint Stock Commercial Bank	15,900,000,000	15,900,000,000	235,780,000,000	(202,280,000,000)	49,400,000,000	49,400,000,000
Vietnam International Commercial Joint Stock Bank	15,381,000,000	15,381,000,000	-	(15,381,000,000)	-	-
Vietnam Asian Commercial Joint Stock Bank	-	-	8,819,878,899	-	8,819,878,899	8,819,878,899
ANZ Bank (Vietnam) Limited	-	-	100,000,000,000	-	100,000,000,000	100,000,000,000
Other individuals	-	-	104,219,000,000	(19,428,000,000)	84,791,000,000	84,791,000,000
Current portion of bond liabilities (see Note 22)	317,316,702,000	317,316,702,000	342,882,956,287	(509,536,683,287)	150,672,978,000	150,672,978,000
	10,045,000,000	10,045,000,000	7,226,000,000	(5,757,000,000)	11,514,000,000	11,514,000,000
	1,131,686,128,041	1,131,686,128,041	2,037,389,875,113	(1,725,014,715,082)	1,444,061,288,072	1,444,061,288,072

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

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Details of short-term loans at commercial banks with floating interest rates to accommodate the Company's working capital are presented as follows:

Bank name	30/6/2015	Maturity date	Interest	Collateral
	VND		% p.a	
- Asia Commercial Joint Stock Bank	122,000,000,000	From 8 August 2015 to 20 August 2015	6.0	DAB stocks (*) Real estates (**)
- Vietnam Bank for industry and trade	64,171,986,351	From 14 April 2015 to 17 September 2015	2.8	Inventories
- Joint Stock Company Bank for Foreign trade of Vietnam	203,176,019,447	From 30 June 2015 to 29 September 2015	2.8 - 5.7	Trust
- Southeast Asia Commercial Joint Stock Bank	200,000,000,000	From 20 July 2015 to 29 September 2015	6.0	Trust
- Petrofinex Group Commercial Joint Stock Bank	200,000,000,000	From 15 August 2015 to 30 September 2015	6.0	Trust
- CTBC Bank Company Limited - Ho Chi Minh Branch	108,000,000,000	From 29 September 2015 to 14 November 2015	5.6	Trust
- Shinhan Bank Vietnam Limited - Ho Chi Minh Branch	60,000,000,000	From 5 August 2015 to 06 August 2015	5.3	Trust
- Military Commercial Joint Stock Bank	81,515,425,375	From 5 July 2015 to 30 August 2015	5.0	Trust
- Ho Chi Minh City Housing Development Commercial Joint Stock Bank	49,400,000,000	From 19 July 2015 to 25 July 2015	6.0	Inventories
- Vietnam International and Commercial Joint Stock Bank	8,819,878,899	From 2 October 2015 to 18 October 2015	4.5	Trust
- Vietnam Prosperity Joint Stock Commercial Bank	100,000,000,000	From 12 August 2015 to 18 August 2015	6.0	Trust
- ANZ Bank Viet Nam Limited	84,791,000,000	From 8 July 2015 to 18 September 2015	5.2	Inventories
Individuals	150,672,978,000			
Current portion of long-term liabilities (Note 22)	11,514,000,000			
	<u>1,444,061,288,072</u>			

(*) The Company pledged 30,000,000 shares of Asia Commercial Joint Stock Bank.

(**) The company pledged the real estates at 16,18 - 20 and 24/2 Thu Khoa Huan Street, Ben Thanh Ward, District 1, Ho Chi Minh City.

22. LONG-TERM LOANS

	01/01/2015		In this period		30/6/2015	
	VND	VND	VND	VND	VND	VND
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
Dong A Commercial Joint Stock Bank	78,128,000,000	78,128,000,000	-	(78,128,000,000)	-	-
Asia Commercial Joint Stock Bank	99,001,000,000	99,001,000,000	157,774,000,000	(163,800,000,000)	51,775,000,000	51,775,000,000
Other individuals	-	-	236,211,049,871	(192,443,549,871)	133,767,500,000	133,767,500,000
	<u>137,129,000,000</u>	<u>137,129,000,000</u>	<u>483,985,049,871</u>	<u>(435,571,549,871)</u>	<u>185,542,500,000</u>	<u>185,542,500,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

Terms and conditions of the loans and other long-term debt balance is detailed as follows:

	30/6/2015	Collateral	Maturity date	Interest
				\$
		Land use rights at 16,18-20 and 24/2 Thu Khoa Huan street, District 1, Ho Chi Minh City	2020	6.5
Asia Commercial Joint Stock Bank	51,775,000,000	Trust	2017	3-5
Individuals	133,767,500,000			
	<u>185,542,500,000</u>			

Long-term liabilities are redeemable as the following schedule:

	30/6/2015 VND	31/12/2014 VND
On demand or within one year	11,514,000,000	10,045,000,000
In the second year	138,055,500,000	78,128,000,000
In the third to fifth year inclusive	34,542,000,000	59,001,000,000
Sau năm năm	12,945,000,000	-
	<u>197,056,500,000</u>	<u>147,174,000,000</u>
Less: Amount due for settlement within 12 months (shown under short-term loans)	11,514,000,000	10,045,000,000
Amount due for settlement after 12 months	<u>185,542,500,000</u>	<u>137,129,000,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

23. OWNERS' EQUITY

	Owners' contributed capital VND	Share premium	Treasury shares VND	Investment and development fund VND	Retained earnings VND	Total VND
Balance as at 01/01/2014	755,970,350,000	105,021,650,000	(7,090,000)	183,705,050,783	273,530,620,443	1,318,220,581,226
Profit for the year	-	-	-	-	242,495,305,974	242,495,305,974
Dividends declared	-	-	-	-	(151,192,652,000)	(151,192,652,000)
Advanced 1st time dividends	-	-	-	-	(90,714,882,200)	(90,714,882,200)
Profit appropriation	-	-	-	49,100,000,000	(49,100,000,000)	-
Transfer to bonus and welfare funds	-	-	-	-	(22,285,541,431)	(22,285,541,431)
Balance as at 01/01/2015	755,970,350,000	105,021,650,000	(7,090,000)	232,805,050,783	202,732,850,786	1,296,522,811,569
Profit for the period	-	-	-	-	108,661,072,552	108,661,072,552
Dividend declared	-	-	-	-	(98,275,227,800)	(98,275,227,800)
Profit appropriation	-	-	-	33,000,000,000	(33,000,000,000)	-
Transfer to bonus and welfare funds	-	-	-	-	(25,587,181,000)	(25,587,181,000)
Other profit appropriation	-	-	-	-	(5,000,000,000)	(5,000,000,000)
Balance as at 30/6/2014	755,970,350,000	105,021,650,000	(7,090,000)	265,805,050,783	149,531,514,538	1,276,321,475,321

According to the Resolution of the Annual General Meeting of Shareholders No. 544/2015/NQ-DHĐCĐ- CTY dated 15 April 2015, the Company's Board of Management declared dividends of VND 188,990,819,000 including VND 90,714,882,200 advanced in 2014, VND 75,596,330,000 paid by bonus shares and VND 22,688,897,800 paid in cash. The declared dividends were paid in cash with an amount of VND 18,831,507,285 during the period.

According to the Resolution of the Annual General Meeting of Shareholders No. 544/2015/NQ-DHĐCĐ- CTY dated 15 April 2015, the Company distributed profit in 2014 to appropriate Investment and development fund and bonus and welfare funds with the amounts of VND 33,000,000,000; VND 25,587,181,000, VND 5,000,000 respectively. The Shareholders also approved the issuance plan of 22,677,542 additional shares, in which 7,559,633 shares corresponding to VND 75,596,330,000 were used to pay dividends in 2014 and 15,119,265 shares corresponding to VND 151,192,650,000 were from owner's equity.

As at 30 June 2015, the company has been in the process of increasing owners' equity. The increase in capital was approved by Ho Chi Minh Stock Exchange under Decision No. 288/QĐ-SGDHCM dated 17 July 2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

Shares - Ordinary shares

	30/6/2015	31/12/2014
	Number of shares	Number of shares
Shares issued and fully paid	75,597,035	75,597,035
<i>Ordinary shares</i>	<i>75,597,035</i>	<i>75,597,035</i>
Treasury shares	(709)	(709)
<i>Ordinary shares</i>	<i>(709)</i>	<i>(709)</i>
Shares in circulation	75,596,326	75,596,326
<i>Ordinary shares</i>	<i>75,596,326</i>	<i>75,596,326</i>

An ordinary share has par value of VND 10,000.

Owner's contributed capital

As at 30 June 2015, the owner's contributed capital was fully contributed by the shareholders as follows:

	Per Business Registration		Contributed capital	
	Certificate		30/6/2015	31/12/2014
	VND	%	USD	VND equivalent
Cao Thi Ngoc Dung	19,156,000,000	2.53%	19,156,000,000	19,156,000,000
Technical Materials and Resources Import - Export Joint Stock Company	4,319,400,000	0.57%	4,319,400,000	4,319,400,000
Nguyen Thi Cuc	2,000,000,000	0.26%	2,000,000,000	2,000,000,000
Nguyen Thi Ngo	6,542,200,000	0.87%	6,542,200,000	6,542,200,000
Nguyen Vu Phan	2,000,000,000	0.27%	2,000,000,000	2,000,000,000
Other shareholders	721,952,750,000	95.50%	721,952,750,000	721,952,750,000
Total	755,970,350,000	100%	755,970,350,000	755,970,350,000

24. OFF BALANCE SHEET ITEMS

Foreign currencies:

Foreign currency	Unit	30/6/2015	31/12/2014
United States Dollar	USD	16,929.92	8,382.00
Australia Dollar	AUD	10.57	30,006.00
Singapore Dollar	SGD	174.30	-

Consignment goods for sale, goods held under trust, pledged, mortgaged goods

Phu Nhuan Jewelry Joint Stock Company is receiving the pledged, mortgaged gold jewelry and precious stones at 30 June 2015 with the value of VND 3,068,600,000 (as at 31 December 2014: VND 2,554,300,000).

25. BUSINESS AND GEOGRAPHICAL SEGMENTS

The principal activity of the Company is to trade gold, silver, jewelry and gemstones. Additionally, the other activities mainly are trading accessories, jewellery inspection services. Revenue from the other operating activities merely accounts for an immaterial rate in the total revenue, for period from 1 January 2015 to 30 June 2015 it is 1% (from 1 January 2014 to 30 June 2014: 26%). Revenue and cost of sales from operating activities are presented in Note 26 and Note 27 of the Notes to the consolidated financial statements. In respect of geographical segments, the Company merely operates within Vietnam (export activities is about 0.03% total revenue. Accordingly, the Board of Directors assessed and believed that no segment reporting in the consolidated financial statements for the period from 1 January 2015 to 30 June 2015 is in accordance with Vietnamese Accounting Standard No. 28 - "Segment Reporting" and the Company's current operating situation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

26. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED	From 01/01/2015	From 01/01/2014
	to 30/6/2015	to 30/6/2014
	VND	VND
Sales of goods, silver and jewelry	3,906,811,572,658	3,653,883,232,437
Sales of fuel	-	1,288,110,065,563
Rendering services	11,974,069,083	19,278,250,698
Sales of accessories	9,388,936,803	6,803,749,332
Value added tax applying direct method	(59,490,233,816)	(38,369,939,666)
	<u>3,868,684,344,728</u>	<u>4,929,705,358,364</u>
Sales returned	(13,778,057,891)	(5,106,579,455)
	<u>3,854,906,286,837</u>	<u>4,924,598,778,909</u>
27. COST OF GOODS SOLD AND SERVICES RENDERED	From 01/01/2015	From 01/01/2014
	to 30/6/2015	to 30/6/2014
	VND	VND
Cost of goods, silver and jewelry	3,291,395,535,748	3,228,020,785,001
Cost of fuel	-	1,246,860,470,364
Cost of services rendered	1,812,792,800	4,854,888,034
Cost of accessories	6,459,345,276	1,890,953,124
	<u>3,299,667,673,824</u>	<u>4,481,627,096,523</u>
28. PRODUCTION AND OPERATING COST BY NATURE	From 01/01/2015	From 01/01/2014
	to 30/6/2015	to 30/6/2014
	VND	VND
Raw materials	3,180,812,721,033	4,480,009,776,800
Labour cost	178,776,724,934	111,307,244,873
Depreciation and amortisation	14,615,112,401	16,413,752,904
Outside services expenses	51,795,770,278	15,970,169,540
Other monetary expenses	97,017,591,802	86,148,167,973
	<u>3,523,017,920,448</u>	<u>4,709,849,112,090</u>
29. FINANCIAL INCOME	From 01/01/2015	From 01/01/2014
	to 30/6/2015	to 30/6/2014
	VND	VND
Dividends received	-	8,422,164,000
Interest income	52,684,494	6,423,035,626
Realized foreign exchange gain	353,321,629	243,504,857
Others	7,552,804	768,978
	<u>413,558,927</u>	<u>15,089,473,461</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

30. FINANCIAL EXPENSES

	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
Interest expense	36,777,505,139	40,758,353,654
Provision for impairment of investments	130,887,250,000	-
Loss from disposal of investments	-	2,589,500,000
Realised foreign exchange loss	3,531,648,132	1,640,043,907
Unrealised foreign exchange loss	647,492,581	-
Others	595,043,574	-
	<u>172,438,939,426</u>	<u>44,987,897,561</u>

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
General and administration expenses		
Management staff	26,036,690,485	27,128,413,798
Depreciation and amortisation	5,021,882,637	2,510,344,746
Other monetary expenses	13,966,162,926	13,434,910,883
Other general and administration expenses	5,079,723,393	18,589,750,114
	<u>50,104,459,441</u>	<u>61,663,419,541</u>
Selling expenses		
Management staff	88,212,070,432	62,347,689,719
Out-sourced services	42,201,565,090	32,452,320,249
Other monetary expenses	43,373,251,587	29,834,195,848
Other selling expenses	16,104,240,519	41,924,390,210
	<u>189,891,127,628</u>	<u>166,558,596,026</u>

32. CORPORATE INCOME TAX EXPENSE

	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
Corporate income tax expense		
Corporate income tax based on taxable profit in the current period	32,529,947,397	38,339,935,344
	<u>32,529,947,397</u>	<u>38,339,935,344</u>
Deferred corporate income tax expense		
Deferred corporate income tax expense incurred from taxable temporary differences	(475,332,042)	(302,725,206)
	<u>(475,332,042)</u>	<u>(302,725,206)</u>

The Company is obliged to pay corporate income tax at the rate of 22% of its assessable income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN
 These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

33. BASIC EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Parent Company is based on the following data:

	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
Earnings for the purposes of calculating basic earnings per share	108,661,072,552	137,767,343,529
Estimated management bonus and welfare fund	(13,705,980,330)	(15,293,590,500)
Earnings for the purpose of calculating basic earnings per share	94,955,092,222	122,473,753,029
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	75,597,035	75,597,035
Basis earnings per share	1,256	1,620

34. CAPITAL EXPENDITURE COMMITMENTS

	30/6/2015 VND	31/12/2014 VND
Approved and signed contract	12,110,842,784	-

Capital expenditure commitments mainly include contracts of purchase fixed assets of Phu Nhuan Jewelry Joint Stock Company

35. OPERATING LEASE COMMITMENTS

	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
Minimum lease payments under operating leases recognised in the consolidated income statement for the period	35,438,955,374	14,474,399,454
At the consolidated balance sheet date, the Company had outstanding commitments under non-cancellable operating leases, which fall due as follows:		
	30/6/2015 VND	31/12/2014 VND
Within one year	37,130,064,374	12,631,761,029
In the second to fifth year inclusive	91,727,435,142	30,708,159,280
After five years	67,265,958,000	3,271,432,000
	196,123,457,516	46,611,352,309

Operating lease mainly includes rental related to 178 stores which are currently operating in Vietnam.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

36. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as disclosed in Note 21 and 22, offset by cash) and shareholders' equity (comprising owner's contributed capital, reserves and retained earnings).

Gearing ratio

The gearing ratio of the Company as at the consolidated balance sheet date was as follows:

	30/6/2015	31/12/2014
	<u>VND</u>	<u>VND</u>
Borrowings	1,629,603,788,072	1,268,815,128,041
Less: Cash	<u>(26,658,810,975)</u>	<u>(37,706,071,196)</u>
Net debt	1,602,944,977,097	1,231,109,056,845
Equity	<u>1,276,321,475,321</u>	<u>1,296,522,811,569</u>
Net debt to equity ratio	<u>1.26</u>	<u>0.95</u>

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 4.

Categories of financial instruments

	Carrying amounts	
	30/6/2015	31/12/2014
	<u>VND</u>	<u>VND</u>
Financial assets		
Cash and cash equivalents	26,658,810,975	37,706,071,196
Trade and other receivables	50,356,435,985	54,854,039,298
Short-term financial investments	65,000,000	65,000,000
Long-term financial investments	401,454,442,642	531,799,217,588
Deposits	19,269,648,454	13,588,573,996
	<u>497,804,338,056</u>	<u>638,012,902,078</u>
Financial liabilities		
Borrowings	1,629,603,788,072	1,268,815,128,041
Trade and other payables	173,461,405,780	167,748,714,785
Accrued expenses	9,355,014,140	4,188,467,510
	<u>1,812,420,207,992</u>	<u>1,440,752,310,336</u>

The Company has not assessed fair value of its financial assets and liabilities as at the consolidated balance sheet date since there are no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the period/year are as follows:

	Assets		Liabilities	
	30/6/2015 VND	31/12/2014 VND	30/6/2015 VND	31/12/2014 VND
United States Dollar (USD)	14,428,631,098	10,281,528,188	201,988,200,787	124,890,783,407
Australia Dollar (AUD)	17,598,808	543,430,896	543,153,309	543,153,309
Hong Kong Dollar (HKD)	-	2,825,400	-	-
Euro (EUR)	9,549,679,822	1,200,157,800	2,274,909,518	34,954,365,219
Singapore Dollar (SGD)	2,900,352	-	-	-

Foreign currency sensitivity analysis

The Company is mainly exposed to United States Dollar and Euro.

The sensitivity rate used when analyzing foreign currency sensitivity is 5% which is assessed to have significant effect on monetary items denominated in foreign currency at the period end by the Board of Directors.

For a 5% increase/decrease in the USD and EUR against VND, the profit before tax for the period from 1 January 2015 to 30 June 2015 would have decreased/increased by the amounts of VND 9,040,021,565 (2014: VND 7,418,017,982) respectively.

Interest rate risk management

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favourable interest rates from appropriate lenders.

Interest rate sensitivity

The loan's sensitivity to interest rate changes which may arise at an appropriate level is presented in the following table. Assuming all other variables were held constant, if interest rates applicable to floating interest bearing loans had been 200 basis points higher/lower, the Company's profit before tax for the period from 1 January 2015 to 30 June 2015 would have decreased/increased by VND 3,783,379,375 (2014: VND 2,742,580,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

30/6/2015	Less than 1 year	From 1- 5 years	Total
	<u>VND</u>	<u>VND</u>	<u>VND</u>
Cash	26,658,810,975	-	26,658,810,975
Trade and other receivables	50,356,435,985	-	50,356,435,985
Short-term financial investments	65,000,000	-	65,000,000
Long-term financial investments	-	401,454,442,642	401,454,442,642
Deposits	-	19,269,648,454	19,269,648,454
	<u>77,080,246,960</u>	<u>420,724,091,096</u>	<u>497,804,338,056</u>
Borrowings	1,444,061,288,072	185,542,500,000	1,629,603,788,072
Trade and other payables	173,166,376,680	295,029,100	173,461,405,780
Accrued expenses	9,355,014,140	-	9,355,014,140
	<u>1,626,582,678,892</u>	<u>185,837,529,100</u>	<u>1,812,420,207,992</u>
Net liquidity gap	<u>(1,549,502,431,932)</u>	<u>234,886,561,996</u>	<u>(1,314,615,869,936)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

31/12/2014	Less than 1 year VND	From 1- 5 years VND	Total VND
Cash	37,706,071,196	-	37,706,071,196
Trade and other receivables	54,854,039,298	-	54,854,039,298
Short-term financial investments	65,000,000	-	65,000,000
Long-term financial investments	-	531,799,217,588	531,799,217,588
Deposits	-	13,588,573,996	13,588,573,996
	<u>92,625,110,494</u>	<u>545,387,791,584</u>	<u>638,012,902,078</u>
Borrowings	1,131,686,128,041	137,129,000,000	1,268,815,128,041
Trade and other payables	167,293,332,685	455,382,100	167,748,714,785
Accrued expenses	4,188,467,510	-	4,188,467,510
	<u>1,303,167,928,236</u>	<u>137,584,382,100</u>	<u>1,440,752,310,336</u>
Net liquidity gap	<u>(1,210,542,817,742)</u>	<u>407,803,409,484</u>	<u>(802,739,408,258)</u>

The Board of Directors assessed the liquidity risk at low level because the Company has a quantity of inventory of gold and jewelry with great value and high liquidity. The Board of Directors believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

37. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties:

Related parties	Relationship
Dong A Land Joint Stock Company	Associate
Dong A Joint Stock Commercial Bank	Related party

During the period, the Company entered into the following significant transactions with its related parties:

	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
Purchase of goods		
Dong A Joint Stock Commercial Bank	423,080,075	436,992,956
Dong A Land Joint Stock Company	<u>3,499,947,727</u>	<u>5,313,662,665</u>
Dividends received		
Dong A Joint Stock Commercial Bank	<u>-</u>	<u>7,699,250,000</u>
Purchase land use rights		
Dong A Joint Stock Commercial Bank	<u>6,500,000,000</u>	<u>-</u>

Significant related party balances as at the consolidated balance sheet date were as follows:

	30/06/2015 VND	31/12/2014 VND
Short-term trade payable		
Dong A Land Joint Stock Company	<u>-</u>	<u>204,864,518</u>
Long-term loan		
Dong A Joint Stock Commercial Bank	<u>-</u>	<u>78,128,000,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN
These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

Remuneration paid to the Company's Board of Directors and Board of Management during the period was as follows:

	From 01/01/2015 to 30/6/2015 VND	From 01/01/2014 to 30/6/2014 VND
Salaries and bonus	<u>3,745,695,000</u>	<u>4,222,800,000</u>

38. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Interest paid includes an amount of VND 3,751,936,495, representing the interest expense incurred in 2014 and excludes VND 5,076,345,113, representing the interest expense incurred during the period that has not yet been paid. Consequently, increase/(decrease) in accounts payable have been adjusted by the same amount.

Cash outflows for dividends during the period include VND 18,824,540, representing the dividends incurred in 2014 and exclude VND 79,462,545,055, representing the dividends incurred during the period that has not yet been paid. Consequently, increase/(decrease) in accounts payable have been adjusted by the same amount.

Cash outflows for purchases of fixed assets during the period include VND 5,089,164,870, representing the purchases of fixed assets incurred in 2014 and exclude an amount of VND 12,110,842,784, representing an addition in fixed assets and construction in progress during the period that has not yet been paid. Consequently, increase/(decrease) in accounts payable have been adjusted by the same amount.

39. COMPARATIVE FIGURES

As stated in Note 3, since 1 January 2015, the Company has adopted Circular No. 200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014 ("Circular 200") guiding the accounting regime for enterprises and Circular No. 202/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014 ("Circular 202") guiding the preparation and presentation of consolidated financial statements. Accordingly, certain figures of the consolidated balance sheet and consolidated cash flow statement of the previous period are reclassified to be adopted to be comparability of the figures of the current period.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

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CONSOLIDATED BALANCE SHEET

ASSETS	Codes	Reported amount as at 31/12/2014	Reclassification based on Circular 200	Amount after reclassification as at 31/12/2014
A - CURRENT ASSETS	100	1,713,615,864,128	(13,588,573,996)	1,692,275,071,473
I. Cash and cash equivalents	110	234,599,264,879	(234,599,264,879)	-
2. Cash equivalents	112	234,599,264,879	(234,599,264,879)	-
III. Short-term receivables	130	19,615,577,417	644,633,055	20,260,210,472
3. Other receivables (*)	136	19,615,577,417	(256,815,230)	19,358,762,187
5. Deficits in assets awaiting solution	139	-	901,448,285	901,448,285
IV. Inventories	140	1,445,167,814,781	234,599,264,879	1,672,014,861,001
1. Inventories	141	1,437,415,596,122	234,599,264,879	1,672,014,861,001
V. Other short-term assets	150	14,233,207,051	(14,233,207,051)	-
4. Other short term assets (*)	155	14,233,207,051	(14,233,207,051)	-
B - NON-CURRENT ASSETS	200	-	13,588,573,996	13,588,573,996
I. Long-term receivables	210	-	13,588,573,996	13,588,573,996
1. Other long-term receivables	216	-	13,588,573,996	13,588,573,996
RESOURCES				
C - LIABILITIES	300	1,249,053,690,639	-	994,557,128,041
I. Current liabilities	310	1,131,686,128,041	-	1,131,686,128,041
1. Short-term loans and liabilities (*)	311	1,131,686,128,041	(1,131,686,128,041)	-
7. Short-term loans	320	-	1,131,686,128,041	1,131,686,128,041
II. Long-term liabilities	330	117,367,562,598	-	(137,129,000,000)
1. Long-term loans and liabilities (*)	337	137,129,000,000	(137,129,000,000)	-
2. Long-term loans (*)	338	-	137,129,000,000	(137,129,000,000)
D - EQUITY	400	232,805,050,783	-	(232,805,050,783)
I. Owners' equity	410	232,805,050,783	-	(232,805,050,783)
3. Treasury shares	415	66,734,153,783	(66,734,153,783)	-
4. Investment and development fund	418	166,070,897,000	66,734,153,783	(232,805,050,783)

(*) These items were disclosed in the consolidated financial statements for the year ended 31 December 2014 under different codes from those in the consolidated financial statements for the period from 1 January 2015 to 30 June 2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a-DN/HN

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

CONSOLIDATED CASH FLOW STATEMENT

		Reported amount from 01/01/2014 to 30/6/2014	Reclassification based on Circular 200	Amount after reclassification from 01/01/2014 to 30/6/2014
	Codes			
I CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Decrease in receivables	09	7,375,121,156	(1,115,205,586)	6,259,915,570
Increase in inventories	10	(200,616,510,016)	44,125,173,341	(156,491,336,675)
Other cash outflows	17	(16,901,659,736)	1,115,205,586	(15,786,454,150)
<i>Net cash used in operating activities</i>	<i>20</i>	<i>(89,466,539,837)</i>	<i>44,125,173,341</i>	<i>(45,341,366,496)</i>
Net (decrease)/increase in cash	50	(35,309,851,585)	44,125,173,341	8,815,321,756
Cash at the beginning of the period	60	507,821,745,184	(453,906,552,933)	53,915,192,251
Cash at the end of the period	70	472,511,893,599	(409,781,379,592)	62,730,514,007



Duong Quang Hai
Preparer



Dang Thi Lai
Chief Accountant



Cao Thi Ngoc Dung
General Director
28 August 2015